



DEPARTMENT OF DEFENSE

Department of the Navy

National Nuclear Security Administration Pay and Performance System

AGENCY: Department of the Navy, DoD.

ACTION: Notice of the Naval Nuclear Propulsion Program (NNPP) conversion to the National Nuclear Security Administration (NNSA) pay and performance system.

SUMMARY: In accordance with the Fiscal Year 2018 National Defense Authorization Act, the DON announces that the NNPP, a joint activity of the DON and the Department of Energy (DOE), NNPP will convert from the General Schedule (GS) Classification and Pay System and the DON Interim Performance Management System (IPMS) to the NNSA pay and performance System, also known as the NNSA Demonstration Project. This conversion will align DON employees of the NNPP with their counterparts in the DOE, NNSA, and bring parity to the pay and performance systems within the Nuclear Propulsion workforce.

DATES: This conversion will become effective **September 22, 2022**.

FOR FURTHER INFORMATION CONTACT: Mr. Edward Rose, 412-476-7204, or edward.rose@nnp.doe.gov

SUPPLEMENTARY INFORMATION:

When the Naval Sea Systems Command (NAVSEA) Headquarters converted to the DoD Civilian Acquisition Workforce Personnel Demonstration Project (AcqDemo), Naval Reactors chose to opt out

of AcqDemo in anticipation of aligning with the DOE, NNSA Demonstration Project. Section 3116(a)(3) of the Fiscal Year 2018 NDAA authorized NNPP to convert its DON employees to the NNSA System with the concurrence of the Secretary of the Navy. The Secretary of the Navy approved the transition of NNPP's DON civilian personnel to the NNSA Demonstration Project Personnel Management System on February 5, 2019. NNPP has been working with the NAVSEA Office of Civilian Human Resources to promulgate the conversion and plan the implementation through relevant DON and DoD offices. After providing data and supporting documentation, the DoD Defense Civilian Personnel Advisory Service has given approval to commence with the planning and implementation upon publishing of this notice. The implementation will require, among other actions, coordination with the DFAS, final notice to employees, developing NNPP procedures, creating new position descriptions, and processing pay plan adjustment personnel actions.

The NNSA Demonstration Project was designed by NNSA, with participation of and review by the DOE and the Office of Personnel Management. The NNSA Demonstration Project modifies the GS Classification and Pay System by creating broad career paths, establishing pay bands within each career path which may cover more than one GS grade, eliminates longevity-based step progression, and provides for annual pay adjustments based on performance. The NNPP has experienced higher-than-average

attrition and has had difficulty filling positions, with pay/grade frequently cited as the reason for declination by candidates.

As a joint DON/DOE organization, Naval Reactors has historically managed its civilian workforce under each respective agency's personnel management system. The Fiscal Year (FY) 2018 National Defense Authorization Act states that the Director of the Naval Nuclear Propulsion Program (NNPP) may, "with concurrence of the Secretary of the Navy," apply NNSA DEMO to all non-executive competitive service employees of the NNPP, thereby strengthening Naval Reactors' recruitment and retention of the highest-quality technical and professional workforce. This move aligns with the goal of shifting away from tenure-based personnel systems to performance-based personnel management systems while streamlining administrative processes inherent in managing Naval Reactors' employees under two different systems.

All DON NNPP current GS employees and vacant GS positions will be converted, excluding any Schedule C excepted service positions. There are approximately 210 affected positions, with all but about 40 of those positions located at the Washington Navy Yard. These positions will remain as DON positions. The NNPP will adopt the NNSA Demonstration Project Policies and Procedures Manual, dated March 2008, which will also be used by

the servicing Human Resources Office and the Defense Finance Accounting Service (DFAS) to implement and support the NNPP. The intent of this notice is to promulgate this conversion to stakeholders within the Departments of Energy, Defense, and Navy. Affected employees are not represented by a labor union.

Dated: September 17, 2021.

J. M. PIKE,

Commander,

Judge Advocate General's Corps,

U.S. Navy,

Federal Register Liaison Officer.

[FR Doc. 2021-20510 Filed: 9/21/2021 8:45 am; Publication Date: 9/22/2021]